

Gary D. Josephson #5299
Assistant Attorney General
SEAN D. REYES #7969
Attorney General
Attorneys for Utah Insurance Department
P. O. Box 140874
Salt Lake City, UT 84114-0874
Telephone: 801-366-0375
gjosephson@gmail.com

BEFORE THE INSURANCE COMMISSIONER
OF THE STATE OF UTAH

UTAH INSURANCE DEPARTMENT, Complainant,	STIPULATION AND ORDER
--	-----------------------

v.

LIBERTY MUTUAL INSURANCE
175 Berkeley Street
Boston, MA 02116
License #23035

Respondent.

Docket No. 2017-007
Enf. Case No. 3858

Bret Barrett, J.D.
Deputy Insurance Commissioner
Presiding Officer

STIPULATION

The Utah Insurance Department ("Department"), by and through its legal counsel, and Liberty Mutual Insurance ("Respondent"), by and through its legal counsel, hereby stipulate and agree as follows:

1. Respondent is currently an active P & C Insurer, and holds license number 23035.
2. The Department has jurisdiction over the parties and subject matter of this administrative action.

3. Respondent acknowledges notice of agency action pursuant to Utah Code § 63G-4-202; and irrevocably waives the right to any hearing, review or appeal concerning this matter.

4. This signed Stipulation and Order, along with the Findings of Fact and Conclusions of Law below, shall not be subject to any reconsideration, renegotiation, modification, hearing or agency review or appeal.

5. The Findings of Fact and Conclusions of Law presented below are accepted by the parties.


6. The issuance of the signed and adopted Order proposed below is solely for the purpose of disposing of the specific matter entitled herein.

7. The only promises, agreements and understandings that the parties have regarding this matter are contained in this Stipulation.

8. Respondent enters into this Stipulation voluntarily, knowingly, and free from any coercion of any kind.


9. The person signing this Stipulation on behalf of the named parties hereby affirms that they are authorized to sign and bind the parties.

DATED this 31st day of January, 2017.



SEAN F. O'CONNOR, Legal Counsel
LIBERTY MUTUAL INSURANCE

DATED this 1ST day of February, 2017.


GARY D. JOSEPHSON
Assistant Attorney General
UTAH DEPARTMENT OF INSURANCE

Based upon the foregoing Stipulation and Department file, the presiding officer makes the following findings of facts:

FINDINGS OF FACT

1. A Department investigation found that, concerning Policy Number WCJ-Z91-459015-022, Respondent filed an AIC schedule rating for management safety at + 5% or - 5% in Utah, while its underwriting worksheet listed -9%. Also, without justification, management safety went down to 0% in 2013.
2. The Department's investigation also found that, concerning Policy Number WC2-Z91-459015023, there was insufficient documentation for premises care and condition change from 0% in 2012 to 7% in 2013.
3. Respondent cooperated fully with the investigation of this matter.

Based upon the foregoing Stipulation and Findings of Fact, the Presiding Officer enters the following Conclusions of Law:

CONCLUSIONS OF LAW

1. In violation of Utah Admin. Rules R590-121-5, Rate Modification Plans, Respondent failed to adequately document its justifications as to why debits were applied in its rate modifications concerning the two reference policies.

Based upon the foregoing Stipulation and Findings of Fact and Conclusions of Law, Presiding Officer herewith enters the following Order:

ORDER

IT IS HEREBY ORDERED:

1. Respondent is assessed a forfeiture in the amount of \$5,000.00, which amount is to be paid to the Department within thirty (30) days of the signing date of this Order.

DATED this 2nd day of February, 2017.

TODD E. KISER
Insurance Commissioner

for Bret Barrett, J.D. ALJ
Deputy Insurance Commissioner
Presiding Officer

NOTIFICATION TO RESPONDENT

You are hereby notified that a failure to obey an Order of the Commissioner may subject you to further penalties, including forfeitures of up to \$5,000 per violation and the suspension or revocation of your license and the filing of an action in district court, which may impose forfeitures of up to \$10,000 per day for continued violation.

You are further notified that other jurisdictions in which you may be licensed may require that you report this action to them.

**UTAH
Invoice**

Page 1

Printed Date: February 02, 2017

Invoice Date: February 02, 2017
Balance Due: \$5,000.00
Due Date: March 04, 2017
Invoice ID: 924331

LIBERTY MUTUAL FIRE INSURANCE COMPANY
175 BERKELEY ST
MAIL STOP M04E
BOSTON MA 02116

Item Description	Amount
Monetary Penalty Company	\$5,000.00
Original Amount Due	\$5,000.00
Payments Received	
	Balance Due

**UTAH
Invoice**

Printed Date: February 02, 2017

Invoice Date: February 02, 2017
Balance Due: \$5,000.00
Due Date: March 04, 2017
Invoice ID: 924331

Make checks payable to: Utah Insurance Department

Send payment to:

Utah Insurance Department
3110 State Office Building
Salt Lake City, UT 84114-6901

Detach and Return with Payment

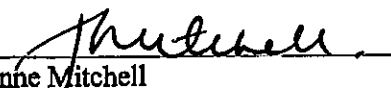
CERTIFICATE OF MAILING

I do hereby certify that on this date I both electronically transmitted and sent by regular mail a true and correct copy of the attached STIPULATION AND ORDER to the following:

**LIBERTY MUTUAL INSURANCE
175 BERKELEY STREET
BOSTON MA 02116**

Email: Sean.OConnor@libertymutual.com

Feb 02/17
Date


Jeanne Mitchell
Utah Insurance Department
State Office Building, Room 311
Salt Lake City UT 84114
Telephone (801) 538-3800